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These materials contain extracts from the following sources:

Amory & Hardee, Materials on Accounting

Fiflis and Kripke, Accounting for Business Lawyers (1971, West Publishing Co.)

Rosen and Granoff, Canadian Financial Accounting (1980, Prentice-Hall of Canada, Ltd.)

These materials were compiled by Joel T. Kissack, Nigel S. Wright and John A. Zinn of Davies, Ward & Beck, Toronto.

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INTRODUCTION TO THE COURSE

This course is not simply a course in accounting, nor does it presume a pre-existing knowledge of accounting. The first objective of this course is to acquaint the student with the basic accounting principles that are relevant to virtually any law practice. The second objective is to introduce the student to some of the more specialized areas of practice where law and accounting intersect.

What are the duties and rights of a corporate auditor? When is a corporation selling "substantially all" of its assets? What are the financial reporting requirements for the issue of securities by means of a prospectus? How are the merits of a share-exchange take-over bid determined? How is financial information used in determining damages? How does tax accounting differ from financial accounting? How does the accountancy profession govern itself? These are some of the questions we will be examining in this course, as we move from basic accounting to the areas where corporate, securities and tax law and the law of damages make use of accounting.

It is important to understand, and it will be repeatedly stressed, that virtually every section of the course (basic accounting, corporate law, securities law, etc.) is itself comprised of discrete discussions which are often wholly independent from one another with respect to the issues they address. This course was organized to provide some detailed examination of topics that are not generally included in other courses. For example, while the role of auditors and determining when a corporation is selling all or substantially all of its assets are both included in the corporation section, they are independent topics, joined together only by the fact that both involve corporate law and accounting. By keeping this in mind as you work through the materials, your understanding of the wide-ranging impact of accounting on the law will be strengthened.

Finally, the approach taken in this course has been deliberately developed to extend beyond accounting, primarily as a means of introducing topics not generally considered in other courses.